



State of Utah

Department of
Environmental Quality

Dianne R. Nielson, Ph.D.
Executive Director

DIVISION OF DRINKING WATER
Kevin W. Brown, P.E.
Director

Drinking Water Board

Dale Pierson, *Chair*
Anne Erickson, *Vice-Chair*
Myron Bateman
Jay Franson
Laurie McNeill
Nancy Melich
Dianne R. Nielson, Ph.D.
Charlie Roberts
Petra Rust
Ron Thompson
Chris Webb
Kevin Brown
Executive Secretary

OLENE S. WALKER
Governor

GAYLE F. McKEACHNIE
Lieutenant Governor

MINUTES OF THE DECEMBER 12, 2003 DRINKING WATER BOARD
MEETING HELD IN SALT LAKE CITY, UTAH

Board Members Present

Dale Pierson
Anne Erickson
Myron Bateman
Jay Franson
Laurie McNeill
Nancy Melich
Dianne Nielson
Charlie Roberts
Petra Rust
Ron Thompson
Chris Webb

Staff

Kevin Brown
Michael Georgeson
Rich Peterson
Ken Wilde
Ken Bousfield
Linda Matulich

Guests

Russ Donoghue, Rural Water Association
Peter Stars, Lake Mtn. Mutual WC
David Friz, Stantec Consulting
Christopher Morley, Attorney Generals Office
John Chartier, Sunrise Engineering
Jese Ruiz, Mayor, Town of Lyndyll
Curtis Ludvigson, Rural Water Association
Phylip Leslie, Beaver Dam Village
Gay Copsey, Beaver Dam Village
Alan Davis, Beaver Dam Village
Galen Allred, Kanarraville
Randy Williams, Kanarraville
Douglas Nielsen, Sunrise Engineering
Larry Gilson, Saratoga Springs
Ken Leetham, Saratoga Springs
Richard Allen, Saratoga Springs
Claudia Wheeler, Metropolitan WD of SLC&S

ITEM 1 – CALL TO ORDER

The Drinking Water Board convened in Salt Lake City, Utah with Chairman Pierson presiding. The meeting was called to order at 1:05 p.m.

ITEM 2 – ROLL CALL

Chairman Pierson asked Kevin Brown to call roll of the Board members. The roll call showed there were 10 members present at the time.

ITEM 3 – INTRODUCTIONS

Chairman Pierson welcomed the guests and asked them to introduce themselves.

Chairman Pierson mentioned Senator John Holmgren passed away on December 8, 2003. A moment of silence was held for Senator Holmgren.

ITEM 4 – APPROVAL OF MINUTES

Chairman Pierson stated a motion to approve the October 10, 2003 and October 29, 2003 minutes are in order.

Myron Bateman moved the Board approve the October 10, 2003 and October 29, 2003 minutes.

Ron Thompson seconded.

**CARRIED
(Unanimous)**

ITEM 5 – SRF/CONSERVATION COMMITTEE REPORT

1) Status Report

Michael Georgeson reported the Board has available \$3.246 million in the State security account, which includes the \$540,000 in the Hardship Grant funds. The Board will be receiving payments in the outstanding loans in December and January, which will raise the total a little over \$1,000,000.

Mike mentioned Trenton is expected to close their project toward the end of January. The Board of Water Resources is expected to commit funds. The Board of Water Resources is the major funding agency for Trenton's project.

Mike reported the Board has available a little over \$9,000,000 in the Federal account, which includes \$2.2 million in second round money.

Mike mentioned the projects are moving ahead for Twin Creeks and Billy Bethers. At the last Board meeting, it was mentioned tests were completed on the Billy Bethers spring. The tests came back favorably. The source protection plan is now under review and is expected to be favorable. The legal issues are moving ahead on the Billy Bethers project. Price River WID is on the agenda today for the Board to consider. Timber Lakes is also moving forward on their project.

2) State SRF Applications

a) Saratoga Springs

Michael Georgeson reported Saratoga Springs is a relatively new community established primarily on land occupied by the Saratoga Springs Resort on the northwest side of Utah Lake. Saratoga Springs has developed quite rapidly. Saratoga Springs wishes to purchase the interest of one of the companies that currently own the water facilities so they can control the destiny of that portion of their community. Staff received word on December 8, 2003, that some of the residents are opposed to the purchase. The SRF Conservation Committee has recommended the Board postpone any action on Saratoga Springs until the January Board meeting giving the SRF Conservation Committee an opportunity to clarify any issues surrounding the purchase, and give a recommendation to the Board on how to proceed.

Larry Gilson, Ken Leetham, and Richard Allen, Saratoga Springs representatives, addressed the Board.

Discussion followed.

Ron Thompson moved the Board table Saratoga Springs request to be addressed at the January 9, 2004 Board meeting.

Dale Pierson seconded.

**CARRIED
(Unanimous)**

b) Beaver Dam Village

Rich Peterson reported Beaver Dam Village has been authorized a loan for \$249,000 for their project. Beaver Dam Village has recently been consolidated in to a Special Service District. Due to costs associated with the second phase of the water line, Beaver Dam Village is requesting an additional \$100,000 with the same terms.

Phylip Leslie, Gay Copsey, and Alan Davis, Beaver Dam Village representatives, addressed the Board.

Discussion followed.

Myron Bateman moved the Board increase Beaver Dam Village's loan by \$100,000, bringing the total to \$349,000 with the same terms (3.46% interest to be repaid over a fifteen [15] year term).

Petra Rust seconded.

**CARRIED
(Unanimous)**

c) Kanarraville

Rich Peterson reported Kanarraville is looking at doing a water study. Kanarraville does not qualify under the hardship grant criteria. Kanarraville is at 81% of the MAGI. Kanarraville is looking for a planning loan of \$10,000.

Galen Allred, Randy Williams and John Chartier, Kanarraville representatives, addressed the Board.

Discussion followed.

Dianne Nielson joined the meeting.

Ron Thompson moved the Board authorize a planning loan to Kanarraville of \$10,000 at 0% interest to be repaid over a five (5) year term.

Myron Bateman seconded.

**CARRIED
(Unanimous)**

d) Lyndyll

Rich Peterson reported Lyndyll is looking at doing a water study. Lyndyll is looking at \$9,500 to prepare the study. Lyndyll received \$4,750 from CIB. Staff is recommending a planning grant for \$5,000 based on the hardship grant criteria at 1.75%. Lyndyll is also below the 80% criteria on the federal program.

Jese Ruiz and Doug Nielsen, Lyndyll representatives, addressed the Board.

Discussion followed.

Chris Webb moved the Board authorize a planning grant of \$5,000 to Lyndyll.

Dale Pierson seconded.

**CARRIED
(Unanimous)**

2) Federal SRF Applications

a) Price River WID

Ken Wilde reported the Drinking Water Board authorized a loan of \$904,000 for the construction of improvements at the February Board meeting. The low construction bid was about \$356,000 higher than estimated. Ken went over the cost of the project and the different options that are offered for the project.

Ken mentioned the SRF Conservation Committee is recommending a 25-year loan repayment period to ease the increase the water companies would have to pay. The community didn't want to go with a 30-year loan. The community is asking for 30% principal forgiveness.

Discussion followed.

Dale Pierson moved the Board authorize the SRF/Conservation Committee's recommendation of a \$396,000 increase to the loan for a total of \$1,300,000 at 1.27% interest with \$260,000 (20%) principal forgiveness and 25 years to repay the loan. The repayable principal balance of the loan would be \$1,040,000.

Myron Bateman seconded.

**CARRIED
(Unanimous)**

b) Priority List

Ken Wilde reported Mayfield and Kanarraville have been added to the project priority list. The Johnson Water Company has been deleted from the project priority list. The Johnson Water Company project has been funded by another agency. Mayfield and Kanarraville have both been declared by the Board as having an emergency situation and were given an emergency grant of \$25,000 (Mayfield) and \$32,000 (Kanarraville). Staff recommends the Board add Mayfield and Kanarraville to the priority list and assign each town 100 points.

Discussion followed.

Ron Thompson moved the Board approve the staff recommendation of adding Mayfield Town and Kanarraville's projects to the list and assign each entity 100 points, and to delete the Johnson Water Company project from the list.

Laurie McNeill seconded.

**CARRIED
(Unanimous)**

Mike Georgeson mentioned he received a request this morning from Lewis Young to add Mountain Regional Special Service District on the agenda for the next Board meeting. Mike went over Mountain Regional's new request. Mountain Regional will be added to the January 9, 2004 agenda.

ITEM 6 – RULE 309-705 REVISIONS, SET EFFECTIVE DATE

Dale Pierson reported an effective date for the revisions of Rule 309-705 rule needs to be set. This rule deals with establishing emergency funding. Staff is suggesting the Board select January 1, 2004 as the effective date for the amendments.

Ron Thompson moved the Board select January 1, 2004 as the effective date for the amendments and authorize staff to proceed with the necessary filing, with the condition that no comments are received between now and 5:00 p.m. on December 15, 2003.

Petra Rust seconded.

**CARRIED
(Unanimous)**

ITEM 7 – CHAIRMAN’S REPORT

Chairman Pierson reported the 1/16% Sales Tax issue would be on the agenda for the upcoming Legislative session again. Chairman Pierson asked the Board to help with this issue when it comes up during the legislative session. The Board needs to also watch for any other water issues that may come up during the session and help out on the other issues as well.

Discussion followed.

ITEM 8 – DIRECTORS REPORT

a) Rural Water Association of Utah’s Annual Conference

Kevin Brown reported the Rural Water Association would be holding their annual conference on February 25 – 27, 2004 in St. George.

There will be a Board meeting at 1:00 p.m. on February 27, 2004. There will be a tour of the Washington County Water Conservancy District the morning of February 27, 2004.

Linda will handle motel arrangements and conference registration for the Board members. She will keep the Board posted.

b) Twenty-five (25) Worst Drinking Water Systems List

Kevin Brown reported 25 worst drinking water systems list provided to the Board in the packet. This will be a part of the packet on a quarterly basis.

Discussion followed.

c) Utah Water Users Association Annual Conference

Kevin Brown reported on the Utah Water Users Association’s annual conference for 2004. A flyer has been made available for the Board on the meetings.

d) Cross Connection Control Commission Information

Kevin Brown reported information on the Cross Connection Control Commission program is in the packet. The Cross Connection Control Commission will have an agenda item on the January 9, 2004 agenda for approval of some changes that will be made to their rules.

ITEM 9 – NEWS ARTICLES

The news articles are in the packet.

ITEM 10 – LETTERS

The letters are in the packet.

ITEM 11 – UPDATE

The update is in the packet.

ITEM 12 – NEXT BOARD MEETING

The next Board meeting will be held on January 9, 2004 at Alta, Utah. There will be a tour in the morning, lunch and the Board meeting.

ITEM 13 – OTHER

No other business.

ITEM 14 – ADJOURN

Chairman Pierson stated a motion to adjourn the Board meeting would be in order.

Anne Erickson moved to adjourn the meeting at 2:35 p.m.

Petra Rust seconded.

**CARRIED
(Unanimous)**

Linda Matulich
Recording Secretary